

CITY of ALBUQUERQUE

SEVENTEENTH COUNCIL

COUNCIL BILL NO. _____ ENACTMENT NO. _____

SPONSORED BY:

1 RESOLUTION

2 AUTHORIZING THE CITY TO ACCEPT THE ASSIGNMENT OF THE OPTION
3 AGREEMENT FROM THE WHEELS MUSEUM AND TO EXERCISE THE OPTION;
4 AUTHORIZING THE USE OF APPROPRIATED MONIES FOR THE PURCHASE
5 OF THE RAILYARD.

6 WHEREAS, the Wheels Museum and Old Locomotive Shops, LLC, entered
7 into an option agreement on or about March 12, 2007, for The Wheels Museum
8 to acquire that property generally referred to as the "Railyards", which is
9 approximately 27.32 acres of land, more or less; and

10 WHEREAS, to date, the City has paid \$190,000 to Old Locomotive Shops,
11 LLC, as consideration for that option agreement; \$100,000 was paid from grant
12 funds available to the City to acquire land and to plan, design and construct a
13 wheels museum; and \$90,000 was paid from grant funds available to the City
14 to acquire the railyard property; and

15 WHEREAS, as of this date, the estimated cost to fully exercise the option
16 on or before December 28, 2007 is \$8,609,750, exclusive of closing costs
17 estimated to be at least \$860,975; and

18 WHEREAS, as of this date, the City has available grant funds, general
19 funds, other funds and reserves appropriated in the amount of \$6,576,054 that
20 can be used to acquire the railyard property; and

21 WHEREAS, the option agreement provides that prior to the closing date,
22 the optionee can assign its rights and delegate its duties and obligations to
23 the City of Albuquerque without the prior written approval of the optionor, and
24 The Wheels Museum has assigned the option agreement to the City of
25 Albuquerque; and

26 WHEREAS, While there is no master plan for the railyard property at this
27 time, the City anticipates that a substantial portion will be used for affordable

[+Bracketed/Underscored Material+] - New
[-Bracketed/Strikethrough Material-] - Deletion

[+Bracketed/Underscored Material+] - New
[-Bracketed/Strikethrough Material-] - Deletion

1 housing as envisioned in the Workforce Housing Act, passed by Albuquerque
2 voters on October 2, 2007; and

3 WHEREAS, given the size of the parcel and the City's interest in preserving
4 the historic character of the Barelbas/Railyard community, while rejuvenating
5 its economic status and providing affordable housing and in-fill
6 developments, the City should exercise this option to ensure that master
7 planning and subsequent development best serves the City and the
8 community as a whole; and

9 WHEREAS, it is an appropriate use of Workforce Housing Trust Fund
10 money, subject to review and ratification by the Affordable Housing
11 Committee, to provide additional funding in anticipation of the creation of
12 affordable housing on the railyard property which would allow the City to
13 exercise the option to acquire the railyard property on or before December 28,
14 2007; and

15 WHEREAS, should the master plan and ultimate development of the
16 railyard property reflect that the scope of any funding used for the acquisition
17 over contributed or under contributed its pro rata cost of the acquisition
18 based on the ultimate uses of the property, the City shall take necessary
19 action to reimburse or collect the difference from the appropriate user of the
20 property; and

21 WHEREAS, time is of the essence, as failure to completely exercise the
22 option on or before December 28, 2007 will void the option and the City will
23 forfeit all funds paid to the date of forfeiture.

24 **BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF**
25 **ALBUQUERQUE:**

26 Section 1. That the Mayor is hereby authorized to exercise this option to
27 ensure that master planning and subsequent development best serves the
28 City and the community as a whole.

29 Section 2. That the Mayor is hereby authorized to use all previously
30 appropriated funds as well as up to \$3 million in Workforce Housing Trust
31 Fund money, subject to review and ratification by the Affordable Housing
32 Committee, to provide the funding to allow the City to exercise the option to
33 acquire the railyard property on or before December 28, 2007.

1 Section 3. The City shall include a requirement of at least thirty (30) units
2 of Workforce Housing, as defined in the Workforce Housing Opportunity Act,
3 in the RFQ/RFP for the Master Development of the railyard property.

4 Section 4. Should the master plan and ultimate development of the railyard
5 property reflect that the scope of any funding used for the acquisition over
6 contributed or under contributed its pro rata cost of the acquisition based on
7 the ultimate uses of the property, the City shall take necessary action to
8 reimburse or collect the difference from the appropriate user of the property.

9

10

11

12

13 X:\SHARE\Legislation\Resolutions\Railyard Acquisition - Workforce Housing Trust Fund.doc

[+Bracketed/Underscored Material+] - New
[-Bracketed/Strikethrough Material-] - Deletion